MESSAGE NO: 9250116 MESSAGE DATE: 09/07/1999

MESSAGE STATUS: Active CATEGORY: Antidumping

TYPE: OTH-Other PUBLIC V NON-PUBLIC

SUB-TYPE:

FR CITE: FR CITE DATE:

REFERENCE MESSAGE #

(s):

CASE #(s): A-351-828, C-351-829

EFFECTIVE DATE: COURT CASE #:

PERIOD OF REVIEW: TO

PERIOD COVERED: 07/06/1999 TO

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Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

FROM: { Director AD/CVD & Revenue Policy & Programs }

RE: SUSPENDED ANTIDUMPING & COUNTERVAILING DUTY INVESTIGATIONS OF CERTAIN HOT-ROLLED FLAT-ROLLED CARBON QUALITY STEEL PRODUCTS FROM BRAZIL(A-351-828) (C-351-829)

MESSAGE NO: 9250116 DATE: 09 07 1999

CATEGORY: ADA TYPE: OTH

REFERENCE: REFERENCE DATE:

CASES: A - 351 - 828 C - 351 - 829

- - -

PERIOD COVERED: 07 06 1999 TO

LIQ SUSPENSION DATE:

TO: DIRECTORS OF FIELD OPERATIONS PORT DIRECTORS

FROM: DIRECTOR, TRADE ENFORCEMENT & CONTROL

RE: SUSPENDED ANTIDUMPING & COUNTERVAILING DUTY INVESTIGATIONS
OF CERTAIN HOT-ROLLED FLAT-ROLLED CARBON QUALITY STEEL
PRODUCTS FROM BRAZIL(A-351-828) (C-351-829)

 SUSPENSION OF ANTIDUMPING AND COUNTERVAILING DUTY INVESTIGATIONS

ON JULY 6, 1999, THE DEPARTMENT OF COMMERCE (THE DEPARTMENT) CONCLUDED AN AGREEMENT SUSPENDING THE ANTIDUMPING DUTY INVESTIGATION AND AN AGREEMENT SUSPENDING THE COUNTERVAILING DUTY INVESTIGATION OF CERTAIN HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL PRODUCTS FROM BRAZIL. ALL

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IMPORTS OF SUBJECT STEEL EXPORTED DIRECTLY OR INDIRECTLY FROM BRAZIL ARE NOW SUBJECT TO PRICE AND QUANTITATIVE LIMITATIONS PURSUANT TO THESE AGREEMENTS.

FOR PURPOSES OF THESE AGREEMENTS, "UNITED STATES" SHALL COMPRISE THE CUSTOMS TERRITORY OF THE UNITED STATES OF AMERICA (THE 50 STATES, THE DISTRICT OF COLUMBIA AND PUERTO RICO) AND FOREIGN TRADE ZONES LOCATED IN THE TERRITORY OF THE UNITED STATES OF AMERICA.

2. MERCHANDISE SUBJECT TO THE AGREEMENTS

FOR PURPOSES OF THIS INVESTIGATION, THE PRODUCTS COVERED ARE CERTAIN HOT-ROLLED FLAT-ROLLED CARBON- QUALITY STEEL PRODUCTS OF A RECTANGULAR SHAPE, OF A WIDTH OF 0.5 INCH OR GREATER, NEITHER CLAD, PLATED, NOR COATED WITH METAL AND WHETHER OR NOT PAINTED, VARNISHED, OR COATED WITH PLASTICS OR OTHER NON-METALLIC SUBSTANCES, IN COILS (WHETHER OR NOT IN SUCCESSIVELY SUPERIMPOSED LAYERS) REGARDLESS OF THICKNESS, AND IN STRAIGHT LENGTHS, OF A THICKNESS LESS THAN 4.75 MM AND OF A WIDTH MEASURING AT LEAST 10 TIMES THE THICKNESS. UNIVERSAL MILL PLATE (I.E., FLAT-ROLLED PRODUCTS ROLLED ON FOUR FACES OR IN A CLOSED BOX PASS, OF A WIDTH EXCEEDING 150 MM BUT NOT EXCEEDING 1250 MM AND OF A THICKNESS OF NOT LESS THAN 4 MM, NOT IN COILS AND WITHOUT PATTERNS IN RELIEF) OF A THICKNESS NOT LESS THAN 4.0 MM IS NOT INCLUDED WITHIN THE SCOPE OF THESE INVESTIGATIONS.

SPECIFICALLY INCLUDED IN THIS SCOPE ARE VACUUM DEGASSED, FULLY STABILIZED (COMMONLY REFERRED TO AS INTERSTITIAL-FREE ("IF")) STEELS, HIGH STRENGTH LOW ALLOY ("HSLA") STEELS, AND THE SUBSTRATE FOR MOTOR LAMINATION STEELS. IF STEELS ARE RECOGNIZED AS LOW CARBON STEELS WITH MICRO-ALLOYING LEVELS OF ELEMENTS SUCH AS TITANIUM AND/OR NIOBIUM ADDED TO STABILIZE CARBON AND NITROGEN ELEMENTS. HSLA STEELS ARE RECOGNIZED AS STEELS WITH MICRO-ALLOYING LEVELS OF ELEMENTS SUCH AS CHROMIUM, COPPER, NIOBIUM, TITANIUM, VANADIUM, AND MOLYBDENUM. THE SUBSTRATE FOR MOTOR LAMINATION STEELS

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CONTAINS MICRO-ALLOYING LEVELS OF ELEMENTS SUCH AS SILICON AND ALUMINUM.

STEEL PRODUCTS TO BE INCLUDED IN THE SCOPE OF THIS INVESTIGATION, REGARDLESS OF HTSUS DEFINITIONS, ARE PRODUCTS IN WHICH: 1) IRON PREDOMINATES, BY WEIGHT, OVER EACH OF THE OTHER CONTAINED ELEMENTS; 2) THE CARBON CONTENT IS 2 PERCENT OR LESS, BY WEIGHT; AND 3) NONE OF THE ELEMENTS LISTED BELOW EXCEEDS THE QUANTITY, BY WEIGHT, RESPECTIVELY INDICATED:

- 1.80 PERCENT OF MANGANESE, OR
- 1.50 PERCENT OF SILICON, OR
- 1.00 PERCENT OF COPPER, OR
- 0.50 PERCENT OF ALUMINUM, OR
- 1.25 PERCENT OF CHROMIUM, OR
- 0.30 PERCENT OF COBALT, OR
- 0.40 PERCENT OF LEAD, OR
- 1.25 PERCENT OF NICKEL, OR
- 0.30 PERCENT OF TUNGSTEN, OR
- 0.012 PERCENT OF BORON, OR
- 0.10 PERCENT OF MOLYBDENUM, OR
- 0.10 PERCENT OF NIOBIUM, OR
- 0.41 PERCENT OF TITANIUM, OR
- 0.15 PERCENT OF VANADIUM, OR
- 0.15 PERCENT OF ZIRCONIUM.

ALL PRODUCTS THAT MEET THE PHYSICAL AND CHEMICAL DESCRIPTION PROVIDED ABOVE ARE WITHIN THE SCOPE OF THIS INVESTIGATION UNLESS OTHERWISE EXCLUDED. THE FOLLOWING PRODUCTS, BY WAY OF EXAMPLE, ARE OUTSIDE AND/OR SPECIFICALLY EXCLUDED FROM THE SCOPE OF THIS INVESTIGATION:

ALLOY HOT-ROLLED STEEL PRODUCTS IN WHICH AT LEAST ONE OF THE CHEMICAL ELEMENTS EXCEEDS THOSE LISTED ABOVE (INCLUDING E.G., ASTM SPECIFICATIONS A543, A387, A514, A517, AND A506).

SAE/AISI GRADES OF SERIES 2300 AND HIGHER.

BALL BEARING STEELS, AS DEFINED IN THE HTSUS.

TOOL STEELS, AS DEFINED IN THE HTSUS.

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SILICO-MANGANESE (AS DEFINED IN THE HTSUS) OR SILICON ELECTRICAL STEEL WITH A SILICON LEVEL EXCEEDING 1.50 PERCENT.

ASTM SPECIFICATIONS A710 AND A736.

USS ABRASION-RESISTANT STEELS (USS AR 400, USS AR 500). HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL, PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.10 - 0.14%

MN 0.90% MAX

P 0.025% MAX

S 0.005% MAX

SI 0.30 - 0.50%

CR 0.50 - 0.70%

CU 0.20 - 0.40%

NI 0.20% MAX

WIDTH EQUALS 44.80 INCHES MAXIMUM; THICKNESS EQUALS 0.063 - 0.198 INCHES; YIELD STRENGTH EQUALS 50,000 KSI MINIMUM; TENSILE STRENGTH EQUALS 70,000 - 88,000 PSI.

HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL, PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.10 - 0.16%

MN 0.70 - 0.90%

P 0.025% MAX

S 0.006% MAX

SI 0.30 - 0.50%

CR 0.50 - 0.70%

CU 0.25% MAX

NI 0.20% MAX

MO 0.21% MAX

WIDTH EQUALS 44.80 INCHES MAXIMUM; THICKNESS EQUALS 0.350 INCHES MAXIMUM; YIELD STRENGTH EQUALS 80,000 KSI MINIMUM; TENSILE STRENGTH EQUALS 105,000 PSI AIM.

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HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL, PHYSICAL AND MECHANICAL SPECIFICATIONS:

С 0.10 - 0.14% MN 1.30 - 1.80% Р 0.025% MAX S 0.005% MAX SI 0.30 - 0.50% CR 0.50 - 0.70% CU 0.20 - 0.40% NI 0.20% MAX V(WT.) 0.10 MAX CB 0.08% MAX

WIDTH EQUALS 44.80 INCHES MAXIMUM; THICKNESS EQUALS 0.350 INCHES MAXIMUM; YIELD STRENGTH EQUALS 80,000 KSI MINIMUM; TENSILE STRENGTH EQUALS 105,000 PSI AIM.

HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL, PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.15% MAX MN 1.40% MAX Р 0.025% MAX 0.010% MAX S SI 0.50% MAX CR 1.00% MAX CU 0.50% MAX NI 0.20% MAX NB 0.005% MIN CA TREATED AL 0.01 - 0.07%

WIDTH EQUALS 39.37 INCHES; THICKNESS EQUALS 0.181 INCHES MAXIMUM; YIELD STRENGTH EQUALS 70,000 PSI MINIMUM FOR THICKNESSES LESS THAN OR EQUAL TO 0.148 INCHES AND 65,000 PSI MINIMUM FOR THICKNESSES GREATER THAN 0.148 INCHES; TENSILE STRENGTH EQUALS 80,000 PSI MINIMUM.

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HOT-ROLLED DUAL PHASE STEEL, PHASE-HARDENED, PRIMARILY WITH A FERRITIC-MARTENSITIC MICROSTRUCTURE, CONTAINS 0.9 PERCENT UP TO AND INCLUDING 1.5 PERCENT SILICON BY WEIGHT, FURTHER CHARACTERIZED BY EITHER (I) TENSILE STRENGTH BETWEEN 540 N/MM AND 640 N/MM AND AN ELONGATION PERCENTAGE GREATER THAN OR EQUAL TO 26 PERCENT FOR THICKNESSES OF 2 MM AND ABOVE, OR (II) A TENSILE STRENGTH BETWEEN 590 N/MM AND 690 N/MM AND AN **ELONGATION PERCENTAGE GREATER THAN OR EQUAL TO 25** PERCENT FOR THICKNESSES OF 2MM AND ABOVE. HOT-ROLLED BEARING QUALITY STEEL, SAE GRADE 1050, IN COILS. WITH AN INCLUSION RATING OF 1.0 MAXIMUM PER ASTM E 45, METHOD A, WITH EXCELLENT SURFACE QUALITY AND CHEMISTRY RESTRICTIONS AS FOLLOWS: 0.012 PERCENT MAXIMUM PHOSPHORUS, 0.015 PERCENT MAXIMUM SULFUR, AND 0.20 PERCENT MAXIMUM RESIDUALS INCLUDING 0.15 PERCENT MAXIMUM CHROMIUM.

THE MERCHANDISE SUBJECT TO THESE AGREEMENTS IS CLASSIFIED IN THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES ("HTSUS") AT SUBHEADINGS: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, 7211.19.75.90, 7212.40.10.00, 7212.40.50.00, 7212.50.00.00. CERTAIN HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL COVERED BY THIS INVESTIGATION, INCLUDING: VACUUM DEGASSED, FULLY STABILIZED; HIGH STRENGTH LOW ALLOY; AND THE SUBSTRATE FOR MOTOR LAMINATION STEEL MAY ALSO ENTER UNDER THE FOLLOWING TARIFF NUMBERS: 7225.11.00.00. 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60,

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7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, AND 7226.99.00.00. ALTHOUGH THE HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND CUSTOMS PURPOSES, THE WRITTEN DESCRIPTION OF THE MERCHANDISE UNDER THESE AGREEMENTS IS DISPOSITIVE.

DISCONTINUE SUSPENSION OF LIQUIDATION

THE U.S. CUSTOMS SERVICE SHALL DISCONTINUE SUSPENSION OF LIQUIDATION OF ANY ENTRIES OF CERTAIN HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL PRODUCTS FROM BRAZIL COVERED BY THESE AGREEMENTS. ANY CASH DEPOSITS ON ENTRIES OF CERTAIN HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL PRODUCTS FROM BRAZIL PURSUANT TO THE DEPARTMENT'S SUSPENSION OF LIQUIDATION INSTRUCTIONS SHALL BE REFUNDED AND ANY BONDS SHALL BE RELEASED.

4. PERIOD OF NO EXPORTS

NO HOT-ROLLED STEEL COVERED BY THESE AGREEMENTS, WHETHER EXPORTED DIRECTLY OR INDIRECTLY FROM BRAZIL, SHALL BE ENTERED INTO THE UNITED STATES FROM JULY 6, 1999 TO SEPTEMBER 30, 1999.

5. CONDITIONS FOR ENTRY RELEASE

EFFECTIVE OCTOBER 1, 1999, ENTRY RELEASE SHALL BE PERMITTED FOR THE SUBJECT MERCHANDISE ONLY UPON PRESENTATION OF THE FOLLOWING DOCUMENTATION:

EXPORT LICENSE

THE UNITED STATES SHALL REQUIRE PRESENTATION OF AN EXPORT LICENSE AS A CONDITION OF ENTRY OF SUBJECT MERCHANDISE COVERED BY THESE AGREEMENTS INTO THE UNITED STATES EXCEPT WHERE THERE ARE MULTIPLE SHIPMENTS UNDER A SINGLE LICENSE.

FOR MULTIPLE SHIPMENTS AT MULTIPLE PORTS, THE ORIGINAL
LICENSE SHALL BE PRESENTED AT EACH PORT AND DEDUCTIONS MADE
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UPON THAT ORIGINAL LICENSE FOR INDIVIDUAL ENTRIES AT EACH PORT. FOR MULTIPLE ENTRIES AT ONE PORT, THE ORIGINAL LICENSE WILL BE PRESENTED AND DEDUCTIONS MADE FOR THE FIRST ENTRY DRAWN FROM THAT LICENSE. SUBSEQUENT ENTRIES AT THAT PORT CAN BE MADE FROM CERTIFIED COPIES OF THE ORIGINAL WHICH REFLECT ALL OF THE DEDUCTIONS MADE FROM THE ORIGINAL LICENSE. THE UNITED STATES WILL PROHIBIT THE ENTRY OF ANY HOT-ROLLED STEEL FROM BRAZIL NOT ACCOMPANIED BY AN ORIGINAL STAMPED EXPORT LICENSE, EXCEPT AS PROVIDED HEREIN.

EXPORT LICENSES MUST CONTAIN, FOR EACH HOT-ROLLED STEEL PRODUCT COVERED BY THE LICENSE, THE EXACT PRODUCT DESCRIPTION, APPLICABLE REFERENCE PRICE, THE PRICE AT WHICH THE SUBJECT MERCHANDISE IS SOLD TO THE FIRST UNAFFILIATED PURCHASER IN THE UNITED STATES, THE QUANTITY IN METRIC TONS, AND DIMENSIONS (GAUGE, WIDTH). IF NECESSARY, ADDITIONAL INFORMATION MAY BE INCLUDED ON THE EXPORT LICENSE OR, IF NECESSARY, A SEPARATE PAGE ATTACHED TO THE EXPORT LICENSE.

FOR EXPORTS FROM BRAZIL, UNTIL FURTHER NOTICE ONLY THE FOLLOWING HOT-ROLLED STEEL PRODUCTS COVERED BY THESE AGREEMENTS MAY BE ENTERED INTO THE UNITED STATES: COMMERCIAL OR STRUCTURAL QUALITY, NOT PAINTED, NOT VARNISHED, NOT COATED WITH PLASTICS, IN COILS, WIDTH GREATER THAN OR EQUAL TO 600 MM, NOMINAL THICKNESS GREATER THAN 0.09 INCHES, MINIMUM SPECIFIED YIELD STRENGTH OF LESS THAN 50,000 PSI, CARBON CONTENT LESS THAN OR EQUAL TO 0.25 PERCENT AND GREATER THAN 0.06 PERCENT, WITHOUT PATTERNS IN RELIEF.

6. SPECIAL INSTRUCTIONS

PLEASE NOTE THAT THE WORD "QUOTA" APPEARS IN THE COUNTERVAILING DUTY SUSPENSION AGREEMENT. HOWEVER, FOR CUSTOMS ENTRY PURPOSES, THESE ENTRIES ARE NOT "QUOTA-TYPE" ENTRIES BECAUSE THEY WILL NOT BE PROCESSED THROUGH THE CUSTOMS ACS QUOTA MODULE. THEREFORE, DO NOT USE ENTRY TYPE CODES 02, 07, 32, 38 IN BOX 2 OF THE CF 7501 (UNLESS THE ENTRY INCLUDES MERCHANDISE OTHER THAN SUBJECT MERCHANDISE

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THAT IS SUBJECT TO QUOTA PROCESSING, IN WHICH CASE ENTRY TYPE CODE 07 OR 38 WOULD BE CORRECT). THERE IS NO QSUP INPUT FOR ENTRIES OF SUBJECT MERCHANDISE FROM BRAZIL. THE QUANTITY OF SUBJECT MERCHANDISE FROM BRAZIL WILL NOT BE REPORTED ON THE CUSTOMS WEEKLY QUOTA STATUS REPORTS.

7. REPORTING REQUIREMENTS

CUSTOMS OFFICIALS SHOULD FORWARD TO THE DEPARTMENT OF COMMERCE ALL EXPORT LICENSES ISSUED PURSUANT TO THESE AGREEMENTS. PLEASE WRITE ON EACH LICENSE THE ASSOCIATED 7501 ENTRY NUMBER.

8. QUESTIONS

IF CUSTOMS OFFICERS HAVE ANY QUESTIONS REGARDING THESE INSTRUCTIONS, PLEASE CONTACT THE AD/CVD PROGRAM BY E-MAIL, ATTRIBUTE "HQ OAB." THE IMPORTING PUBLIC AND OTHER INTERESTED PARTIES SHOULD CONTACT LINDA LUDWIG OR MAUREEN MCPHILLIPS, OFFICE OF AD/CVD ENFORCEMENT, IMPORT ADMINISTRATION, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE, AT (202) 482-3833 AND (202) 4821093, RESPECTIVELY.

9. THERE ARE NO RESTRICTIONS ON THE RELEASE OF THIS INFORMATION.

PAUL SCHWARTZ

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Company Details

*Party Indicator Value:

I = Importer, M = Manufacturer, E = Exporter, S = Sold To Party

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